

01- MAINE DEPARTMENT OF AGRICULTURE, CONSERVATION AND FORESTRY
015- MAINE MILK COMMISSION
CHAPTER 3 SCHEDULE OF MINIMUM PRICES FOR MILK ORDER #10-20

SUMMARY: Effective **October 04, 2020** the Maine Milk Commission hereby establishes minimum prices for milk. **The Federal Order Minimum Class I producer price is \$18.45/cwt. effective October 04, 2020 and further adjusted by the Commission by \$1.63/cwt. for increased cost of production and \$1.04/cwt. which reflects premiums being offered and are prevailing in southern New England and further adjusted by \$2.79/cwt. which reflects a handling fee. A final dealer cost is \$24.11/cwt. which includes a \$.20/cwt. Processor Assessment.** The minimum dealer and retail prices effective **October 04, 2020** are set forth on page 2 and shall be effective in Maine until superseded

1. PRODUCER-TO-DEALER-SALES:

Dealers shall pay for milk purchases from producers, f.o.b. dealer's plant.

For Class II the price for all zones as announced by the U.S. Department of Agriculture for the Northeast Marketing Area for **August 2020** is **\$13.27/cwt. plus \$0.15/cwt cost of production.** The Federal Order **Class I butterfat price (per pound) for September 2020** announced as **\$1.7100** Such prices except skim and buttermilk shall be increased by the butterfat differential for each 1/10 of 1% average butterfat content above said test and decreased a like amount for each 1/10 of 1% average butterfat content below said test. The Chicago Mercantile Exchange Price for Grade AA Butter announced **September 18, 2020** was **\$1.5975.** A Federal Order Class III minimum of **\$19.77/cwt.** for **August 2020** and a Federal Order Class IV minimum of **\$12.53/cwt.** for **August 2020** milk was announced and recognized by the Commission.

2. SALES TO CONSUMERS

The schedule of prices listed on Page 2, effective **September 04, 2020** shall be the minimum wholesale and retail prices to be charged for milk distributed within Maine for fluid consumption wherever produced and shall hold until further revision by the Commission.

BASIS STATEMENT

Pursuant to 5 M.R.S.A., Section 8054 and 7 M.R.S.A., Section 2954 the Maine Milk Commission conducted an emergency rulemaking hearing to determine whether or not the minimum price payable to producers for milk should be immediately changed due to developments in milk pricing in southern New England.

Federal Order One Northeast Market Administrator announced a Class III price of **\$19.77/cwt.** and a Class IV price of **\$12.53/cwt.** for **August 2020**

The Class II price for **August 2020** is **\$13.27cwt.** as announced by the Federal Order One Northeast Market Administrator.

The Commission, in setting their minimum prices, recognized the Federal Order Class I price of **\$18.45/cwt. plus \$1.63/cwt. for cost of production and an over-order premium of \$1.04/cwt. as being prevailing in southern New England based on the evidence presented at the Commission hearing on September 24, 2020 and therefore should be passed on in minimum prices effective October 04, 2020. These prices also include a handling fee of \$2.79/cwt.**

The schedule of prices listed herein reflects the latest Class I, Class II, Class III and Class IV prices plus the minimum dealer, producer and retail margins adopted by the Commission's Orders (DM) Dealer Margins, (PM) Producer Margins, and (RM) Retail Margins. The Class I prices reflect a Processor Assessment of **\$.20/cwt.** as authorized by Commission Order #93-MPF. Any change in prices at any level from last month reflects the action taken today by the Commission for Class I, Class II, Class III and Class IV and Butterfat prices.

STATUTORY AUTHORITY: 5: M.R.S.A., Section 8054 and 7: M.R.S.A., Section 2954

EFFECTIVE DATE: Section 1 = **October 04, 2020** and Section 2 = **October 04, 2020**

MAINE MILK COMMISSION

BY: _____

DATED: _____